

Alberta weekly economic review

April 5, 2012

Labour Force

Alberta resumes job creation in March, while Canada posts a significant gain...

After losing jobs in February, Alberta's labour market bounced back in March, gaining 4,400 jobs. The gains were concentrated in only a few industries, as 10 of 16 industries reported losses. Net new part-time (+2,200) and full-time positions (+2,200) split the total down the middle. On a year over year basis, Alberta continues to have the highest employment growth in the country, at 3.1%.

At the industry level, professional, scientific, and technical services regained all the jobs lost last month and added a few more, leading all industries with 8,400 new positions. Construction added the second most jobs in March with 4,600. Partly offsetting those gains, were losses in accommodation and food services (-9,800), and agriculture (-3,500).

Alberta's unemployment rate climbed 0.3 percentage points to 5.3%, due to an 11,600 increase in the labour force, which more than offset the month's employment gains. The province is now tied with Manitoba for the second lowest unemployment rate in the country.

Nationally, the labour market came back to life, adding an impressive 82,300 jobs in March. The gain was the fourth largest in over 30 years, and marks the first meaningful job increase in six months. Details of the report were also positive: full-time employment jumped 70,000; private sector employment increased 42,600; self-employment increased 18,800; and 11 of 16 industry categories recorded gains. The job gains were not spread evenly across the country though, as only half the provinces saw job gains, most notably Ontario (46,100) and Quebec (36,400). The job increase pushed the national unemployment rate down 0.2 percentage points to 7.2%.

Building Permits

Permits rebound but are well below last year's level...

An indicator of future construction activity, the value of building permits posted a strong monthly gain in February but could not match the elevated reading from the same month last year. The value of building permits jumped 22.0% to \$1.1 billion in February with increases in both residential (12.4%) and non-residential (37.6%) permits. However, when compared to February 2011, the value of permits fell 22.7%, ending seven consecutive months of year-over-year gains.

US Labour Force

ADP employment report points to continued job gains...

The ADP employment report indicates that US labour market conditions continued to improve in March. While the official US labour force statistics for March will not be released until tomorrow, the ADP employment report points to the US nonfarm private sector

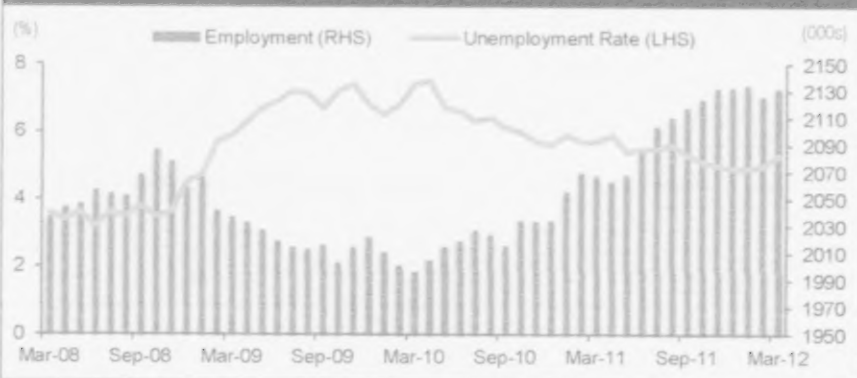
adding 209,000 jobs. The job growth was widespread in all major sectors and cross payrolls of all sizes.

Manufacturing Purchasing Managers' Indices (PMI)

Indices suggest manufacturing expansion in North America...

The manufacturing PMI, a timely gauge of manufacturing activity, improved in March for both Canada and the US. After bottoming out in January, Canada's manufacturing PMI continued to strengthen in March, rising to 52.4 from 51.8 in the previous month (a reading above 50 indicates expansion). The improvement reflects greater customer demand and a sharp jump in the employment component of the index. The US manufacturing PMI also increased in March to 53.4 from 52.4 in February, driven by increases in the production and employment components. Meanwhile, in the Euro-zone and China, the manufacturing PMI readings remained below 50 suggesting a contraction in manufacturing activities.

Alberta Labour Market



Closing Prices	March 29, 2012	April 5, 2012	2012-13 Fiscal YTD
Canadian Dollar (US/\$CAN)	100.01	100.73	100.72
WTI Oil (\$/Bbl)	\$102.78	\$103.31	\$103.51
NYMEX Natural Gas (\$/MMBtu)	\$2.15	\$2.09	\$2.16

Alberta Economic Indicators 1

Population	2010	2011	2012YTD	Oct	Nov	Dec	Jan	Feb	Mar
Population ¹ (100,000)	3,721	3,779	3,818	3,799	—	—	3,818	—	—
% change	1.3	1.6	2.0	1.7	—	—	2.0	—	—
Net International Migration ² (level)	2,183	12,660	9,146	3,136	—	—	6,010	—	—
Net International Migration ² (level)	21,533	14,093	13,877	7,980	—	—	8,293	—	—
Net Non-permanent Residents ³ (level)	77	7,985	2,400	2,396	—	—	105	—	—
Labour Market									
NEW: Employment (100,000)	2,017	2,094	2,132	2,125	2,135	2,139	2,135	2,125	2,132
% change	-0.4	3.8	3.3	4.4	4.9	4.4	3.9	2.8	3.1
NEW: Unemployment Rate (%)	6.5	5.5	5.1	5.1	6.0	4.9	4.9	5.0	5.3
NEW: Participation Rate (%)	72.9	73.7	73.9	74.1	74.2	74.5	74.1	73.7	74.0
Average Weekly Earnings (\$) ⁴	903	1,038.7	1,065.5	1,062.8	1,040.9	1,049.5	1,062.5	—	—
% change	4.5	4.6	3.5	4.5	3.9	4.4	3.5	—	—
Price Indices									
Consumer Price Index	1.0	2.4	2.4	2.4	3.2	2.9	2.9	1.0	—
Excluding food and energy	0.8	0.8	1.2	1.3	1.5	1.2	1.4	1.0	—
Non Res. Building Costs (Index) ⁵	-0.1	3.4	—	—	—	4.0	—	—	—
Farm Product Price Index	-3.9	17.4	5.5	12.3	12.6	10.3	5.5	—	—
Crops	14.5	19.1	4.1	3.7	4.5	1.5	4.1	—	—
Livestock	5.7	17.2	15.0	19.4	19.4	17.5	15	—	—
Household Sector									
Housing Starts (CANSIM, 100,000)	26.9	25.5	28.4	33.0	30.0	25.3	25.6	31.7	—
% change	34.5	-5.2	35.8	25.0	35.1	37.4	32.8	38.2	—
New Housing Price Index ⁶	0.5	0.4	0.7	0.7	0.4	0.5	0.7	—	—
Edmonton	0.8	0.9	1.3	1.1	1.1	1.2	1.3	—	—
Calgary	1.7	0.1	-0.1	0.3	-0.2	-0.1	-0.1	—	—
MLS Average Resale Price (\$ 100,000)	350.9	355.8	351.8	352.3	352.6	351.8	343.0	360.5	—
% change	3.1	1.0	-0.7	1.4	0.3	-0.7	-2.5	3.2	—
Edmonton (\$ 100,000)	326.5	325.7	329.6	326.7	329.0	328.0	325.2	334.1	—
% change	2.3	0.9	2.3	0.7	0.0	1.9	0.7	4.7	—
Calgary (\$ 100,000)	397.4	402.8	394.5	401.5	399.7	400.4	378.5	410.4	—
% change	3.4	0.9	-2.9	1.4	-0.2	0.2	-6.2	0.4	—
Retail Sales	6.0	7.0	8.4	10.5	7.8	7.6	9.4	—	—
New Motor Vehicle Sales	9.3	9.3	23.2	19.9	12.6	11.7	29.2	—	—
Consumer Bankruptcies (level)	8,150	5,969*	—	515	—	—	—	—	—
% change	18.4	-14.2*	—	26.4	—	—	—	—	—
Business Sector									
Rigs Drilling (level)	207	285	209.0	435	330	338	401	459	338
% change	61.3	37.9	3.7	26.7	19.4	35.8	7.8	9.9	7.5
Goods Exports (seasonally based)	12.4	18.3	12.6	21.3	29.9	14.6	12.5	—	—
Energy	17.2	19.2	11.9	25.4	32.0	15.3	11.9	—	—
Agriculture	-14.4	21.4	27.2	36.5	31.7	30.3	27.2	—	—
Total Farm Cash Receipts (quarterly)	-3.9	16.2	—	—	—	22.5	—	—	—
Manufacturing Shipments	11.0	18.0	16.5	17.0	25.5	16.1	16.5	—	—
Wholesale Trade	10.8	14.8	15.9	17.8	15.1	14.2	15.9	—	—
NEW: Building Permits	2.1	11.2	4.6	11.5	10.7	48.6	33.4	-22.7	—
Residential	24.7	4.7	96.8	23.5	30.0	38.6	24.2	50.3	—
Non-Residential	-19.0	20.4	23.9	0.6	10.1	67.1	51.7	53.2	—
Business Bankruptcies (level)	378	227*	—	30	—	—	—	—	—
% change	-6.7	-27.9*	—	25.0	—	—	—	—	—

YTD (year-to-date) represents the change from the beginning of the year compared to the same period in the previous year.

* Unless otherwise indicated, all figures are year-over-year percentage change.

¹ Quarterly. Annual numbers are presented on a calendar year basis (July 1–June 30).

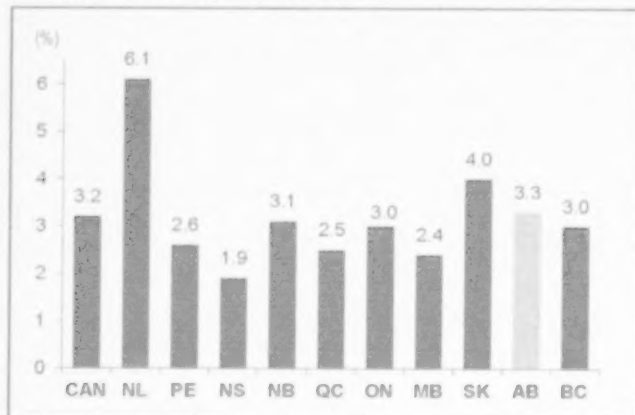
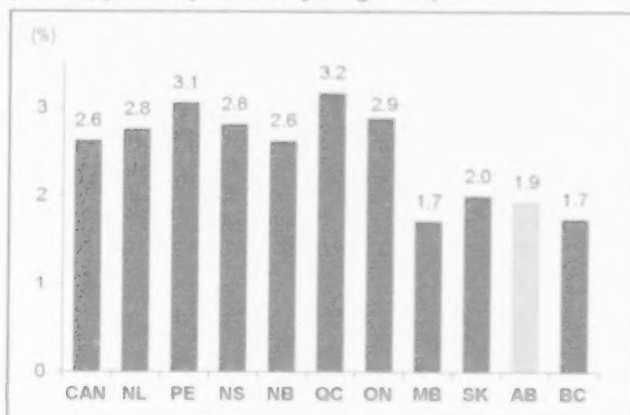
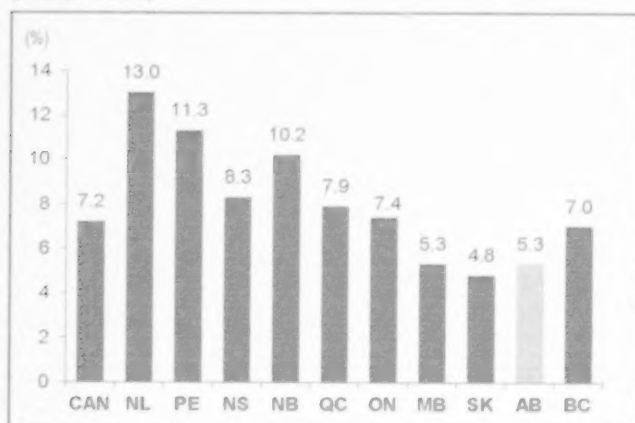
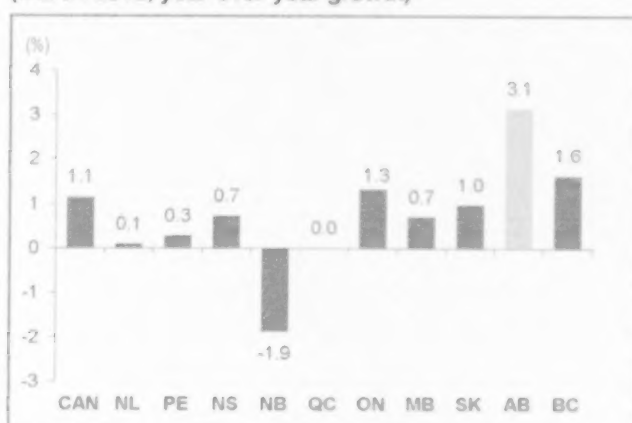
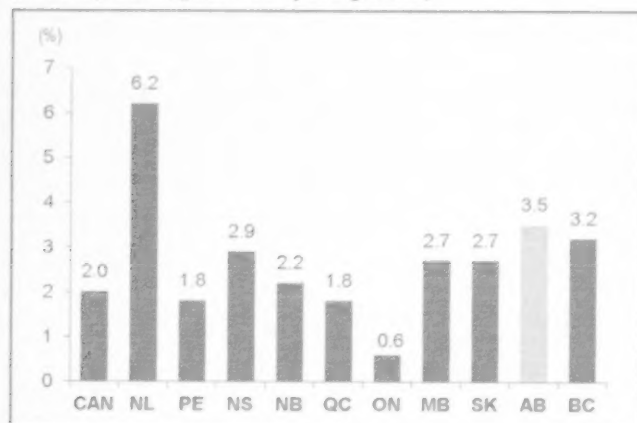
² Quarterly. Average of Calgary and Edmonton.

⁴ Average of Calgary and Edmonton.

⁵ Represents 2011 year-to-date.

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Price (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

Economic Indicators by Province

Real GDP Growth by Province
(2010, year-over-year growth)CPI Inflation
(February 2012, year-over-year growth)Unemployment Rate
(March 2012)Employment
(March 2012, year-over-year growth)Average Weekly Earnings
(January 2012, year-over-year growth)Housing Starts
(February 2012, SAAR, year-over-year growth)